

MINUTES OF EVERETT PORT COMMISSION REGULAR MEETING

June 12, 2012

PRESENT:

Troy McClelland	President
Michael Hoffmann	Vice President
Tom Stiger	Secretary
Les Reardanz	Chief Administrative Officer
Karen Clements	Chief Finance Officer
Brad Cattle	Port Attorney

ABSENT: Executive Director John Mohr's absence was excused.

CALL TO ORDER: The meeting of June 12, 2012 was called to order at 5:01 p.m. by Commission President Troy McClelland.

CONSENT AGENDA:

- Approval of Work Session Minutes of May 1, 2012 and Regular Meeting Minutes of May 8, 2012
- Approval of Bills for May 2012

Commissioner McClelland reported that he was removing the DHS Round 7 – Supplemental Security Projects – Contract Closeout from the Consent Agenda because Staff noted there were still some items for the project that needed completion. The Commission concurred.

Commissioner Tom Stiger moved to approve the items of the Consent Agenda for June 12, 2012. Commissioner Michael Hoffmann seconded the motion. A vote was called for:

Vote: 3-0
Yes: Stiger, Hoffmann, McClelland
No: None
Abstained: None

Motion carried.

Commissioner McClelland reported that Chief Administrative Officer Les Reardanz is sitting in for Executive Director John Mohr and will be giving the Executive Director's report.

1. EXECUTIVE DIRECTOR'S REPORT

Single Commission Meeting – July 10, 2012

Chief Administrative Officer Les Reardanz reminded the Commission and public that the Port will be holding a single Commission meeting next month on July 10, 2012. Commissioner McClelland said he would be away on business travel on July 10 and asked to confirm that the other two Commissioners would be available to attend the meeting. Commissioner Stiger and Commissioner Hoffmann both indicated that they would be available on July 10. Commissioner McClelland suggested that the Port move forward with the July 10th single Commission meeting. Commissioner Hoffmann, as the Vice President, will Chair the July 10th meeting. The July 3, 2012 Work Session is cancelled.

The Commission concurred.

Marina District Master Plan

Jeff McClure of RMC Architects and John Jones of Dykeman Architects provided an overview of the Strategic Development Program that they presented at the May 8th Regular Meeting for Commission review and consideration. Port staff and the Dykeman team are seeking Commission guidance that the proposed Development Program would form the basis for the team to move forward with developing the master plan.

Once the Dykeman team has received Commission guidance that the proposed Development Program can be used as the basis for developing the master plan, next steps for the Dykeman Team will be to review case studies and conduct design work shops that begin shaping the master planning effort, and then hold public meetings further down the road. The team is currently planning to hold design work shops with Port staff on June 26 – 28 in the Port's Sandpiper Room.

The Dykeman team has identified five areas of case studies, including Ports as Developers, Employment Centers, Innovation in the Water, Placemaking and Destinations, and Corridors.

The Dykeman team asked for Commissioner comments.

Commissioner Stiger said he didn't think that the Employment Center should have so much emphasis even though it has more acreage to it. As an Employment Center, a large building employer would have to support the number of jobs that are illustrated. If the Port is going to develop that, unless they have some tenants, it is probably going to be a much smaller building. Commissioner Stiger said it probably should be scaled back with less emphasis on the Employment Center.

Jeff McClure said the team is not ruling out the opportunity for one large user, but rather had envisioned the Employment Center as a series of smaller users. The Dykeman team visualized developing from the east toward the west with a number of smaller users that could have 20, 30, 40 or 50 jobs. If the Port was able to get a big user, that would certainly be a wonderful thing, but the master planning will accommodate smaller individual types of businesses that could be built into what would be called an Employment Center of various users.

Commissioner Stiger also addressed the corridor issue. With the Kimberly Clark property up in the air, Commissioner Stiger said it really presents a challenge for the Port. Jeff McClure said the importance of a corridor is to make it look intentional, making it look like it has been thought out. Shifting the focus from an industrial circulation corridor around Kimberly Clark down to where the Navy picks up would be probably more through a landscaping scheme to provide visual pulse points to give people the indication that there is something more going on down here.

Les Reardanz said that staff is also starting discussions with the City on wayfinding. Part of this discussion is creating a community and destination, and part of that destination piece is that people need to understand how to get from the freeway down to this corridor and where to go. Staff is looking at signage and then also wayfinding with the City. It is a cooperative effort.

Commissioner Hoffmann asked what the fundamental intent was for having an Employment Center in the Marina District. Commissioner McClelland responded that the concepts have to be mutually supportable concepts. The recommendation has been that the Port will need all three of the concepts for sustainability; the boating has to work, the village heart has to work, but in order for those two to work the Port is going to need folks here on a very consistent basis which means it will need some form of Employment Center. Commissioner McClelland commented that he viewed the concepts with all similar emphasis, but mutually necessary for success.

Commissioner McClelland said that conceptually he was comfortable with the Strategic Development Program proposed by the Dykeman team. Commissioner Stiger said he did not have a problem with the concept, he just said that the vision of an Employment Center might be much larger than reality.

Les Reardanz said the guiding principles were established to set the conditions for ongoing success. One of those principles was maintaining flexibility. So for the Employment Center, the team is trying to build flexibility into it so that it can expand or contract as the market may dictate or as the uses may dictate. So if the Port is not getting that employment, maybe it shifts to more residential if the demand is there. The intent is not to over emphasize the Employment Center. Jeff McClure added that if the 18 acres are allocated to the Employment Center, the intent was to begin development from the east working toward the west, so if the market is starting to soften a little bit, the Port can reserve the most valuable land toward the west adjacent to the green space that could segue back to residential or some other kind of use. Another one of the guiding principles is not only to maintain flexibility, but always keep an eye on an exit strategy.

Commissioner McClelland suggested that the future Employment Center could be listed as Employment Center / Market Dictated Uses as we go forward. Jeff McClure agreed.

There were no citizen comments.

Commissioner Tom Stiger moved that the Commission adopt the Marina District Strategic Development Program as presented on May 8, 2012 and today, June 12, 2012, as the basis for Staff to prepare the Marina District Master Plan. Commissioner Michael Hoffmann seconded the motion. The vote was called for:

Vote: 3-0

Yes: Stiger, Hoffmann, McClelland

No: None

Abstained: None

Motion carried.

Executive Session

Port attorney Brad Cattle reported that at the May 1, 2012 Commission Meeting, the Commission recessed into Executive Session at approximately 6:03 p.m. for approximately 30 minutes to discuss with legal counsel 1) a potential litigation matter, 2) to consider the negotiations concerning a piece of real property which may be leased when public discussions would disadvantage the Port, and 3) the strategy to be taken by the Port Commission during the course of collective bargaining that is currently in progress.

At 6:30 p.m., Port counsel extended the Executive Session to 6:35 p.m. The Executive Session concluded at 6:35 p.m., and the meeting was adjourned. There were no announcements and no action taken.

On May 8, 2012 the Commission recessed into Executive Session at 7:16 p.m. for approximately 45 minutes. The Commission discussed with legal counsel two potential litigation matters and to consider the minimum price at which real property may be leased when public knowledge would disadvantage the Port's negotiations. The Executive Session concluded at 8:00 p.m., and the meeting was adjourned. No announcements were made and no action was taken.

2.

DEPARTMENT REPORTS

Operations – Marina Activity Report

Lisa Lefeber, Public Affairs Administrator, reported that the Marina is continuing its partnership with the Tulalip Resort & Casino for free shuttle service from the Marina to the Casino for groups of four or more. The Farmer's Market is now in full operation every Sunday from 11am to 4pm through October 7, 2012. Jetty Island Days begins the end of June and will coincide with the Navy providing tours of the carrier at Naval Station Everett. Opening day of the Jetty Jam Kite Boarding Festival begins that same weekend, so the Marina is going to be very busy. Along with the Jetty Island Ferry, the Port of Everett offers the free working waterfront tours. Starting at the end of the month is the Marina Waterfront Concert Series which is held Thursdays, Saturdays and Sundays.

The Port of Everett was chosen as the annual Latitudes and Attitudes destination for a northwest cruising event. There will be over 100 visiting boaters here the weekend of August 10 – 12, 2012. Other events include Tall Ships and Fresh Paint in August.

Lisa Lefeber reported that the revisions to the Marina Rules and Regulations are set to go into effect on July 16. The Marina has not received significant comment about the revisions.

As has been discussed previously, the Marina did not do an overall Marina rate increase, but some of the fees have been modified and those modifications have slowly gone into effect during the months of May and June with the last set going into effect in July.

Lastly, this morning the Marina held a boat auction and 10 boats were up for auction plus two boats that did not auction off in the previous auction held in February. The Marina auctioned off five of the 12 boats.

At the end of May, the occupancy rate for both Marinas was at 78 percent, with the seasonal moorages slowly trickling in. The Guest Moorage numbers are still tracking

higher than they have over previous years as well, and the Marina has wait lists for 32 feet, 40 feet and at 12th Street there are wait lists at 40 and 45 feet.

COMMISSION PRESIDENT'S REPORT

Commissioner McClelland congratulated Lisa Lefebber and the entire Port staff in terms of events and communications. The Port is being recognized by the American Association of Port Authorities for its effectiveness in the very successful Boeing 777 1,000th delivery event.

COMMISSION DISCUSSION

Commissioner Tom Stiger reported that he recently attended the Washington Public Port Association meeting in Spokane. John Mohr also attended and gave a very good presentation on the various Port of Everett projects. There was also a legislative component to the meeting and it was the general consensus of the ports that the ports fared quite well in the legislature in comparison to the other cities and counties. It was a good Spring meeting.

The Puget Sound Partnership established the Snohomish / Stillaguamish Local Integrative Organization and they have an Executive Committee made up of the City, Port, several smaller communities, King County and Snohomish County primarily dealing with the watershed. Commissioner Stiger suggested that somebody from the Port staff should attend the next meeting in August as it pertains to environmental issues and most of the attendees were staff members of the various agencies.

Les Reardanz said he would coordinate with Commissioner Stiger on getting coverage for the August meeting.

CITIZEN COMMENTS

John Lunde, tenant of the Marina, inquired as to why the Marina Director left. Les Reardanz said the Marina Director's departure was not tied to a performance issue, rather it was a personal issue, and in deference to the former Marina Director's privacy, he was not at liberty to disclose the reasons why he left.

John Lunde asked several questions about the damage to the ship and the sunken dry dock that occurred several months ago. Les Reardanz said he was not familiar with Vigor Marine's lease. John Lunde also suggested that the Marina should decrease the rates in order to fill up the Marina.

No Executive Session was held.

THE REGULAR COMMISSION MEETING WAS ADJOURNED at 5:57 p.m.

APPROVED: this 10th day of July, 2012.

EVERETT PORT COMMISSION

By:

Troy McClelland, President


Michael Hoffmann, Vice President


Tom Stiger, Secretary



Port of Everett

ORIGINAL

**Port of Everett
Voucher Approval List
for the month of
MAY
2012**

We, the undersigned Commissioners of the Port of Everett, Snohomish County, Washington, do hereby certify the following vouchers/warrants have been certified and approved for payment this the 12th day of June, 2012:

Claims Voucher Nos	62551 - 62826	Total	\$1,994,971.87
Claims Wire Transfers:			
5/1, 5/16, 5/24	Wire Transfer - IRS	\$	139,132.75
5/23	Wire Transfer - Wa St Dept of Rev	\$	31,980.44
5/14, 5/29	Wire Transfer - Union Bank	\$	21,654.11
	Total Claims		\$2,187,739.17

Payroll Voucher Nos. 38231 - 38421 \$ 371,288.29

Payroll Wire Transfers:
5/1, 5/8, 5/15, 5/22, 5/30

PMA Payroll (Longshore Labor)	\$	241,734.47
Total Payroll	\$	613,022.76

Total Expenditures

\$ 2,800,761.93

	President
	Vice President
	Secretary

Attest: Karen R A Clements Port Auditor